

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: September 20, 2006

Division: Monroe County Housing Authority

Bulk Item: Yes X No

Department: Special Programs Office

AGENDA ITEM WORDING: A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA, APPROVING THE WAIVER OF CERTAIN SHIP RENTAL STRATEGY PROGRAM REQUIREMENTS AND APPROVING THE CREATION OF FIVE ADDITIONAL UNITS.

ITEM BACKGROUND: The Monroe County Board of County Commissioners approved by Resolution 016-2005, the SHIP Rental Strategy Program. The program is designed to create new rental units principally for the very low and low-income households. The Rental Strategy terms and conditions require a note and a mortgage against the newly created units because KWHA's primary mission and statutory requirement as a government agency to provide affordable housing to the very-low and low income residents in its service area, in perpetuity and has the same set aside requirements, the KWHA requested approval of a waiver of this provision for twelve units which was approved by Resolution 157-2005. This request is for approval of the waiver and an additional five units.

PREVIOUS RELEVANT BOCC ACTION: Adoption of Resolution 016-2005, January 19, 2005, approving a SHIP Rental Strategy Program 157-2005, June 18, 2005, approving the waiver of certain Rental Strategy Program requirements.

CONTRACT/AGREEMENT CHANGES: N/A

STAFF RECOMMENDATION: Approval of this resolution for waiver of the SHIP Rental Strategy terms and conditions that require a note and mortgage against five additional newly created rental units.

TOTAL COST: \$-0- **BUDGETED:** Yes No X

COST TO COUNTY: \$-0- **SOURCE OF FUNDS:** N/A

REVENUE PRODUCING: Yes No X **AMOUNT PER:** Month Year

APPROVED BY: County Atty  OMB/Purchasing Risk Management

DIVISION DIRECTOR APPROVAL: 
J. Manuel Castillo, Sr., Executive Director
Monroe County Housing Authority

DOCUMENTATION: Included X To Follow Not Required

DISPOSITION: **AGENDA ITEM #**

RESOLUTION _____ - 2006

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA, APPROVING THE WAIVER OF CERTAIN SHIP RENTAL STRATEGY PROGRAM REQUIREMENTS AND APPROVING THE CREATION OF FIVE ADDITIONAL UNITS.

WHEREAS, the Monroe County Board of County Commissioners (BOCC) approved the SHIP Rental Program Strategy by Resolution 016-2005, January 19, 2005; and

WHEREAS, the Monroe County Special Programs Office (SPO) advertised the availability of SHIP Rental Program Strategy funding in the form of a Request for Proposal (RFP) from February 12, 2005 to March 15, 2005; and

WHEREAS, the Housing Authority of the City of Key West, Florida (KWHHA) responded to the RFP; and

WHEREAS, KWHHA was established pursuant to Federal Housing Regulations and Florida Statute Chapter 421 and is a body politic; and

WHEREAS, KWHHA has determined that the Rental Strategies terms and conditions requiring a note and mortgage; which is forgiven at maturity ;

WHEREAS, the BOCC approved resolution 157-2005, May 18, 2005, approving the waiver for twelve newly created units; and

WHEREAS, KWHHA has completed the twelve newly created units contemplated in Resolution 157-2005; and

WHEREAS, there is sufficient funds available to create five additional units.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of Monroe County, Florida, that the County hereby:

Approves waiving the SHIP Rental Strategies Program requirement of a note and recordation of a mortgage against KWHHA and Monroe County Housing Authority (MCHA) property and accepts in lieu of the note and mortgage, an affidavit to be submitted annually to the County detailing compliance with SHIP Rental Strategies Program requirements for the five additional units on KWHHA and MCHA Property.

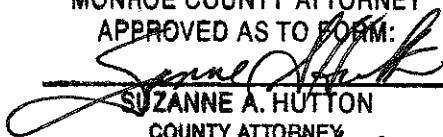
PASSED AND ADOPTED, by the Board of County Commissioners of Monroe County, Florida at a regular meeting on said Board on the _____ day of _____, A.D., 2006

BOARD OF COUNTY COMMISSIONERS
OF MONROE COUNTY, FLORIDA

Mayor McCoy _____
Commissioner Spehar _____
Commissioner Neugent _____
Commissioner Patton _____
Commissioner DiGennaro _____

By: _____
Mayor Charles "Sonny" McCoy

SEAL
ATTEST:

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM:

SUZANNE A. HUTTON
COUNTY ATTORNEY
Date 9/1/06

RESOLUTION NO. 157-2005

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA APPROVING THE WAIVER OF CERTAIN SHIP RENTAL STRATEGY PROGRAM REQUIREMENTS NOT PERMITTED UNDER EXISTING UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT CONTRACTUAL AGREEMENTS WITH THE HOUSING AUTHORITY OF THE CITY OF KEY WEST, FLORIDA

WHEREAS, the Monroe County Board of County Commissioners (BOCC) approved the attached SHIP Rental Program Strategy by Resolution 016-2005, January 19, 2005; and,

WHEREAS, the Monroe County Special Programs Office (SPO) advertised the availability of SHIP Rental Program Strategy funding in the form of a Request for Proposal (RFP) from February 12, 2005 to March 15, 2005; and,

WHEREAS, the Housing Authority of the City of Key West, Florida (KWHHA) was the only applicant to respond to the RFP; and,

WHEREAS, KWHHA was established pursuant to Federal Housing Regulations and Florida Statute Chapter 421 and is a body politic, and,

WHEREAS, KWHHA has determined that the Rental Strategies terms and conditions requiring a note and mortgage, which is forgiven at maturity is not permitted under existing contractual agreements with the United States Department of Housing and Urban Development (HUD); and,

WHEREAS, the HUD ACC is in perpetuity and places the same set aside requirements for very low and low-income households on the Authority as SHIP; and,

WHEREAS, KWHHA's primary mission and Statutory Requirement as a governmental agency is to provide affordable housing to the very low and low-income residents in its service area.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of Monroe County, Florida that the County hereby:

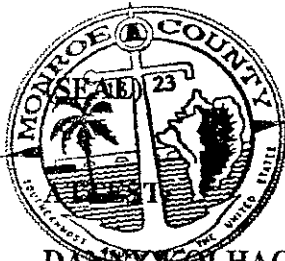
Approves waiving the SHIP Rental Strategies Program requirement of a note and recordation of a mortgage against KWHHA property and accepts in lieu of the note and mortgage, an affidavit to be submitted annually to the County detailing compliance with SHIP Rental Strategies Program requirements.

PASSED AND ADOPTED by the Board of County Commissioners of Monroe County, Florida
at a regular meeting of said board held on 18th day of May, A.D., 2005.

BOARD OF COUNTY COMMISSIONERS
OF MONROE COUNTY, FLORIDA

By: Lizette M. Spehar
MAYOR

Mayor Spehar	<u>Yes</u>
Mayor Pro Tem McCoy	<u>Yes</u>
Commissioner Nelson	<u>Yes</u>
Commissioner Neugent	<u>Yes</u>
Commissioner Rice	<u>Yes</u>



DANNY L. KOLHAGE, CLERK

By: Camille Hancock
Deputy Clerk

Approved as to form and legal sufficiency [Signature]

Date: 4/28/05

FILED FOR RECORD
05 JUN -6 PM 2:49
JANNY L. KOLHAGE
CLK. CIR. CT.
MONROE COUNTY, FLA

RESOLUTION NO. 016 - 2005

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA, APPROVING AN AMENDMENT TO MONROE COUNTY'S STATE HOUSING INITIATIVE PARTNERSHIP (SHIP) PROGRAM, LOCAL HOUSING ASSISTANCE PLAN (LHAP) FOR STATE OF FLORIDA FISCAL YEARS 2004-2005, 2005-2006, 2006-2007.

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, ss. 420.907 - 420.9079, Florida Statutes (1992) and Rule Chapter 67-37, Florida Administrative Code, requires local governments to develop a Local Housing Assistance Plan (LHAP) outlining how funds will be used; and,

WHEREAS, the Monroe County's Local Housing Assistance Plan for the State of Florida fiscal years 2004-2005, 2005-2006, 2006-2007 was previously adopted by the Monroe County Board of County Commissioners and approved by the Florida Housing Finance Corporation; and,

WHEREAS, the Monroe County Housing Authority, Administrator of the Monroe County's State Housing Initiative Partnership Program, is recommending approval of the attached amendment in order to equitably provide for the funding of rental projects, maximizing the public purpose use of said funds and meet expenditure requirements within F.S. 420.907 - 420.9079.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of Monroe County, Florida, that the County hereby:

Approves the Amendment to the Monroe County State Housing Initiatives Partnership (SHIP) Program, Local Housing Assistance Plan (LHAP), attached hereto as "Exhibit A", describing the type of assistance, selection criteria, income levels and other conditions necessary to apply and qualify for Monroe County SHIP Program funding under the LHAP's Rental Strategy.

PASSED AND ADOPTED, by the Board of County Commissioners of Monroe County, Florida, at a regular meeting on said Board on the 19th day of January, A.D., 2005.

BOARD OF COUNTY COMMISSIONERS
OF MONROE COUNTY, FLORIDA

Mayor Spehar	<u>Yes</u>
Mayor Pro Tem McCoy	<u>Yes</u>
Commissioner Nelson	<u>Yes</u>
Commissioner Neugent	<u>Yes</u>
Commissioner Rice	<u>Yes</u>

By:

Dixie M. Spehar
Mayor Dixie Spehar

ATTEST: DANNY L. KOHLAGE
CLERK

By: Daniel C. DeSantis
Deputy Clerk

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM:

Suzanne A. Hutton
SUZANNE A. HUTTON
ASSISTANT COUNTY ATTORNEY

Date: 1/19/05

Approved as to form and legal sufficiency:

FILED
CLERK
MONROE COUNTY, FLA.
JAN 20 2005
11:12 AM

B. RENTAL STRATEGIES

Name: CONSTRUCTION/REHABILITATION

Description: Funds provided for the construction or rehabilitation of affordable housing rental units.

Fiscal Years: 2004-2005, 2005-2006 and 2006-2007

Income Level: Very low, low and moderate (tenants)

Selection Criteria: Priority shall be given to applicants in the following order until all available funding is committed/expended:

Priority #1. Applications proposing the creation of new rental units by construction or rehabilitation, ranked in the following order:

- 1a. Proposing the longest period of affordability
- 1b. Units serving very low-income tenants
- 1c. Units serving substantially (%) very low-income tenants
- 1d. Serving low-income tenants
- 1e. Serving substantially (%) low-income tenants
- 1f. Serving moderate-income tenants

The tiebreaker within priority #1 shall be the lowest SHIP per unit cost.

Priority #2 Applications proposing the rehabilitation of existing affordable rental units, ranked in the following order:

- 2a. Proposing the longest period of affordability
- 2b. Serving very low-income tenants
- 2c. Serving substantially (%) very low-income tenants
- 2d. Serving low-income tenants
- 2e. Serving substantially (%) low-income tenants
- 2f. Serving moderate-income tenants

The tiebreaker within priority #2 shall be the lowest SHIP per unit cost.

Type of Assistance: FOR PROFIT ENTITIES

For profit entities proposing construction/rehabilitation in conjunction with Florida Housing Finance Corporation (FHFC) funding are eligible for loans secured by a mortgage up to \$40,000 or that amount sufficient to satisfy the FHFC local contribution portion of the FHFC program, whichever is less. The loan is at an

interest rate of 3% with a minimum term of fifteen (15) years. Principal and interest is due upon maturity.

For profit entities proposing construction/rehabilitation are eligible for mortgages up to \$40,000 per unit. The loan is at an interest rate of 3% with a minimum term of fifteen (15) years. Principal and interest is due upon maturity. The loan may be extended in conjunction with an extension of the SHIP Rental Monitoring Agreement.

NON PROFIT ENTITIES

Non-profit entities proposing construction/rehabilitation in conjunction with Florida Housing Finance Corporation (FHFC) funding are eligible for loans secured by a mortgage up to \$40,000. The loan is at an interest rate of 0% with a minimum term of fifteen (15) years. Principal balance is forgiven at maturity.

Non-profit entities proposing construction/rehabilitation are eligible for mortgages up to \$40,000 per unit or that amount sufficient to satisfy the FHFC local contribution portion of the FHFC program, whichever is less. The loan is at an interest rate of 0% with a minimum term of fifteen (15) years. Principal balance is forgiven at maturity. The loan may be extended in conjunction with an extension of the SHIP Rental Monitoring Agreement.

Recapture:

Due and payable upon sale or transfer of the property, termination of the long term lease (greater than 15 years), failure to comply with the terms of the SHIP Rental Monitoring Agreement or Land Use Restriction Agreement (LURA) as specified above.

Other:

All entities funded under this strategy will be required to execute a SHIP Rental Monitoring Agreement and Land Use Restriction Agreement (LURA) for a minimum term of fifteen (15) years. SHIP set aside units assisted under this strategy must maintain rents that do not exceed the rent maximums published annually by the Florida Housing Finance Corporation. SHIP recipients that offer rental housing for sale within fifteen years of the SHIP award must give a right of first refusal to eligible non-profit organizations for purchase at the current market value for continued occupancy by eligible persons.